Circulation of 25 and 50 paise coins

†1661. SHRI RAMADHAR KASHYAP: Will the Minister of FINANCE be pleased to state:

(a) whether Government have kept the coins 25 paise and 50 paise denomination out of circulation;

(b) the reasons for not accepting 25 paise and 50 paise coins by the traders in the market; and

(c) the steps being taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No Sir, Both these denominations coins continue to be in circulation.

(b) Both consumers and traders are reluctant to accept the small coins on account of cost of carrying coins and small coins do not have value in settling payment transactions.

(c) The Reserve Bank of India has been continuously taking necessary steps to educate the members of public and create awareness about the legal tender characteristics of all the denominations of coins including these two coins. The Reserve Bank of India has issued instructions to all the Public and Private sectors Banks to advise their branches to accept/ issue coins of all denominations without restrictions for exchange or for deposit in accounts.

Closure of Co-operative banks in Chhattisgarh

†1662. SHRI RAMADHAR KASHYAP: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has ordered the Registrar of Co-operative societies to take necessary action to close some Co-operative Banks in Chhattisgarh on the charge of not following the banking provisions; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Reserve Bank of India has rejected the licence application of Zila Sahakari Kendriya Bank, Maryadit, Raigarh on

†Original notice of the question was received in Hindi.

31st October, 2003 and stopped the Bank from carrying on business of "Banking" within the meaning of Section 5(b) of Banking Regulation Act, 1949(AACS). Further, Reserve Bank of India has cancelled the licence of one Urban Co-operative Bank in the State of Chhattisgarh *viz.* the Nagrik Sahakari Bank Ltd., Dhamtari by an order dated 28.06.2004 and has requisitioned, on the same date, the Registrar of Co-operative Societies, Raipur to wind up the Bank and appoint a Liquidator to take charge. Accordingly, the Registrar of Co-operative Societies, Raipur issued the Liquidation Order on 19.07.2004 and appointed a Liquidator.

Income Tax block assessment reports of corporates

1663. SHRI ABU ASIM AZMI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Income Tax block assessment reports of the corporate entities involved in Ketan Parekh share scam were called for reassessment;

(b) if so, what are the names of the companies where income-tax block assessment reports have been re-examined; and

(c) what are the results of probe and action being taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM): (a) No proceedings for reassessment of completed block assessments have been initiated in respect of the 12 corporate entities whose cases were centralized in Central Circle-40, Mumbai, in connection with investigation into the Ketan Parekh share scam.

(b) and (c) Do not arise in view of reply to part (a) above.

Audit of income expenditure accounts of panchayats

†1664. SHRI RAJ MOHINDER SINGH MAJITHA:
DR. MURLI MANOHAR JOSHI:

Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether it is a fact that the audit of income-expenditure accounts of all the panchayats in the country is mandatory as per the Twelfth Finance Commission;

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†Original notice of the question was received in Hindi.